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Director

State of California—Health and Human Services Agency
Department of Health Services



Governor

September 26, 2005

PPL No. 05-012

TO: LOCAL GOVERNMENTAL AGENCY COORDINATORS FOR THE
MEDI-CAL ADMINISTRATIVE ACTIVITIES AND
TARGETED CASE MANAGEMENT PROGRAMS

SUBJECT: SECONDARY DOCUMENTATION REQUIREMENT FOR THE ANNUAL
TIME SURVEYS FOR MEDI-CAL ADMINISTRATIVE ACTIVITIES AND
TARGETED CASE MANAGEMENT

The purpose of this Policy and Procedure Letter (PPL) is to notify the Local Governmental Agencies (LGA) of the requirement for secondary documentation for the annual time surveys for Medi-Cal Administrative Activities (MAA) and for Targeted Case Management (TCM).

This requirement will be effective with time surveys beginning October 1, 2005.

The September 2005 time surveys without secondary documentation will be valid for all Fiscal Year (FY) 2005-06 county-based MAA invoices. MAA invoices for FY 2006-07 must be based on time surveys with secondary documentation.

All TCM cost reports for FY 2006-07 due November 1, 2006 will require time surveys that have secondary documentation on file. September 2005 time surveys without secondary documentation may be substituted by September or October 2006 time surveys in the FY 2006-07 TCM cost report.

Both the MAA and TCM programs are federal reimbursement programs. The amount eligible for reimbursement is partially based on the annual time survey. The Department of Health Services (DHS) is requiring secondary documentation of the time survey to substantiate the claims, thereby assuring greater program integrity.

The LGA must be able to verify all costs claimed in the MAA invoice and the TCM cost report. Therefore, the factors affecting these costs must be substantiated. Since the MAA invoice and the TCM cost report utilize the time survey to determine reimbursement, secondary documentation will now be required to substantiate the time survey. Staff certification of the time reported is no longer sufficient. Pursuant to Welfare and Institutions Code, Section 14170 (a) (1), "The department shall maintain adequate controls to assure responsibility and accountability for the expenditure of federal and state funds."

Requirements

For each staff member who time-surveys to MAA or TCM activities, the LGA is required to maintain secondary documentation for at least two occurrences of each type of Medi-Cal activity listed on the MAA TCM Combined Time Survey form to which the staff member surveys.

As an example, if a staff member surveys time to MAA activity Medi-Cal Outreach B2 and MAA activity Facilitating Medi-Cal Application, documentation for a total of four occurrences will be necessary, two per each type of activity performed and time surveyed that month. If a staff member surveys time to TCM, documentation for two occurrences of TCM activity performed and time surveyed will be necessary.

Any form of documentation may be acceptable as long it provides evidence of the type of activity the staff member time-surveyed. A clear audit trail must exist from time survey to documentation. This must include, but is not limited to, the staff member's name and the date of the occurrence.

Documentation examples include file notes, copies of a calendar page with notations, announcements of events the staff member participated in or event sign-in logs. The documentation may also be a written description of an occurrence for the activity performed.

For TCM, the documentation may also be a copy of a case manager's client case notes completed during the survey month. The existence of the progress notes made during the survey time may substitute for this. If progress notes are used for both required pieces of secondary documentation, these notes must refer to different clients. If documentation is associated with a specific client and the client identifier has been excluded for confidentiality, the audit trail to the time survey must still be present.

Accessibility and Retention

The time survey secondary documentation must be accessible and readily available for review by DHS or the Centers for Medicare and Medicaid Services on request. This should be retained in the required audit files for the time survey as described in the MAA LGA Provider Manual and in the TCM Provider Manual. The required duration to retain the documentation is the same as for other records included in the audit files as specified in the Provider Manuals and as set forth in 42 Code of Federal Regulations (CFR), Sections 433.32.

If you have any questions, please contact Mr. David Bass, Chief of the Local and Schools Services Unit, at (916) 552-9616 or by email at Dbass@dhs.ca.gov; or Mr. Fred Chow, Chief of the Administrative Claiming Operations Unit, at (916) 552-9618 or by email at Fchow@dhs.ca.gov.

Sincerely,

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